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From: Rodriguez, Elias
Sent: Thur 4/2/2015 1:18:24 PM
Subject: VI Incident News

Report of unscheduled material events or corporate event: ServiceMaster Global Holdings, Inc.

Form 8-K SEC filing. Item 8.01. Other Events

On March 25, 2015, ServiceMaster Global Holdings, Inc. (the "Company") was informed that the United States Department of Justice initiated a criminal investigation into allegations that a local Terminix branch used methyl bromide as a fumigant at a resort in St. John, U.S. Virgin Islands, resulting in serious injuries to four members of a family vacationing there. The United States Environmental Protection Agency is also participating in the investigation and working with the U.S. Virgin Islands Department of Planning & Natural Resources on the matter. The extent of potential fines and other sanctions that the federal and local governmental authorities may impose, and the impact of any judicial, administrative or regulatory proceedings or other issues resulting from or related to the incident, including claims by third parties, investigation costs and reputational harm, is not currently known. The Company is in the process of investigating this matter and is fully cooperating with all relevant governmental authorities.

Banned substance basis for Terminix investigation

Mar 30, 2015, 2:47pm CDT

Michael Sheffield

Memphis Business Journal

The U.S. Department of Justice is investigating a St. John U.S. Virgin Islands-based branch of Terminix.

According to a Form 8-K filed with the U.S. Securities and Exchange Commission, DOJ is looking into allegations the Terminix branch used methyl bromide as a fumigant at a resort on the island. Methyl bromide was phased out by the U.S. Environment Protection Agency as of Jan. 1, 2005, through the Montreal Protocol on Substances that Deplete the Ozone Layer and the Clean Air Act. It was banned because it was proven to aid in the depletion of the ozone layer. According to the 8-K, four members of a family visiting the resort suffered serious injuries believed to be associated with the use of methyl bromide.

The EPA is participating in the investigation and is cooperating with the U.S. Virgin Islands Department of Planning & Natural Resources. Penalties haven't been determined, but Terminix is performing its own investigation and is cooperating with the government investigators.

Terminix is part of the umbrella of Memphis-based ServiceMaster Global Holdings. Inc.

Poisoned Delaware dad, 2 sons still critical

By Cris Barrish

The News Journal

4:24 p.m. EDT April 1, 2015

Three members of a Delaware family, including two teenagers who remain unconscious, are still in critical condition from poisoning by a banned pesticide this month at their luxury condo in the U.S. Virgin Islands, their spokesman said Wednesday.

Steve Esmond, a top administrator at the private Tatnall School in Greenville, has regained consciousness at Christiana Hospital, but sons Ryan and Sean, both Tatnall students, are in a Philadelphia hospital where they still have not awakened, said James J. Maron, a Wilmington attorney who has been authorized to speak on their behalf.

Their mother, Dr. Theresa Devine, has been released from the hospital, said Maron, whose family was vacationing on the Caribbean island of St. John along with other Delaware families, including the Esmonds, when they were stricken March 20.

Maron said the Esmonds "are great fighters and we continue to be vigilant and optimistic" that they will fully recover. Esmond, 49, is head of Tatnall's Middle School and his sons are in the ninth and 11th grades. Devine is a dentist who practices in Broomall, Pa., about 25 miles northeast of Wilmington.

The Capri in St. John is one of 22 Sirenusa villas managed and marketed by Sea Glass Vacations, according to its Internet listing. (Photo: Sea Glass Vacations)

The Esmonds were poisoned by the pesticide methyl bromide, which was sprayed by employees of Terminix on March 18 in the condominium beneath the unit rented by the Esmond family at the \$800-a-night Sirenusa resort overlooking Cruz Bay, a resort official said.

Methyl bromide, an odorless fumigant, can be fatal or cause serious central nervous system and respiratory system damage, according to the U.S. Environmental Protection Agency. Because of the chemical's "acute toxicity," methyl bromide is now banned indoors and permitted only for limited agricultural uses by trained applicators, the EPA said.

Despite the ban, the pesticide was applied inside units at the Sirenusa resort "to deal with indoor bugs," said Judith Enck, administrator for EPA's region 2, which includes the Virgin Islands, a U.S. territory.

While the Edmonds struggle to recover, the U.S. Department of Justice has launched a criminal investigation into Terminix's use of the pesticide at Sirenusa, according to a U.S. Securities and Exchange Commission filing Monday by ServiceMaster Global Holdings, Inc., the parent company of Terminix.

Meanwhile, environmental regulators in the Virgin Islands have issued a "stop-use order" against Terminix for using "Meth-O-Gas" indoors at the Sirenusa resort in October and again on March 18, two days before the Esmond family began having seizures and had to be hospitalized.

After becoming ill, the couple and their sons were rushed to Virgin Island hospitals, and airlifted back to the United States by March 23. U.S. Sen. Chris Coons, a close friend of the family, helped get the EPA involved.

Maron said he can't comment further on the cause of the family's poisoning "because it's a criminal investigation."

Peter Tosches, senior vice president for Terminix, issued a statement Monday that said the company was conducting an internal investigation and cooperating with investigators.

"We're thinking about the family, and we join the community in wishing them a speedy recovery," Tosches' statement said.

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